



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

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October 20, 2014

Mr. Gary D. Goeke
Chief, Environmental Assessment Section
Leasing and Environment (MS 5410)
Bureau of Ocean Energy Management (BOEM)
1201 Elmwood Park Boulevard
New Orleans, LA 70133-2394

Subject: EPA NEPA Review Comments on BOEM's FSEIS for "Gulf of Mexico Outer Continental Shelf (OCS) Oil and Gas Lease Sales: 2015-2017 Central Planning Area Lease Sales 235, 241, and 247"; CEQ #20140269

Dear Mr. Goeke:

The U.S. Environmental Protection Agency (EPA) has reviewed the subject Bureau of Ocean Energy Management (BOEM) Final Supplemental Environmental Impact Statement (FSEIS) in accordance with our responsibilities under Section 102(2)(C) of the National Environmental Policy Act (NEPA) and Section 309 of the Clean Air Act. It is our understanding that BOEM proposes lease sales in the Gulf of Mexico (GOM) Outer Continental Shelf (OCS) for lease blocks in both the Central Planning Area (CPA). Since the proposed action impacts areas in Region 4 and Region 6 both EPA regions participated in this review.

EPA provided comments on the Draft Supplemental Environmental Impact Statement (DSEIS) for the above referenced proposed action in a letter dated May 5, 2014. Our primary concerns outlined in our DSEIS comments were related to potential impacts to air, waste water discharge, fisheries, coastal ecosystems, wetlands, and impacts on environmental justice populations. We appreciate the BOEM's efforts to include a dedicated section in the FSEIS which includes specific responses to our comments.¹ We have focused our review of the FSEIS on the BOEM's specific responses to our DSEIS comments. EPA has the following comments:

Alternatives

In our DSEIS comments we noted that a more detailed site specific analysis would be forthcoming at the lease block level, as the lease sale process proceeds. EPA also assumed that this site specific analysis would identify the presence of biologically sensitive features, and if these areas are identified, appropriate mitigation measures would be implemented. BOEM notes in their response to our comments that the decision on how to proceed with the CPA lease sale

¹ Section 5.12 of the FSEIS

will be announced in the Final Notice of Sale and ROD. EPA has no additional comments related to selection of alternatives at this time.

Air

Air Quality Analysis

EPA's previous air quality impact comments on the DSEIS focused generally on mitigation, greenhouse gas emissions, cumulative impacts, emissions above the significant impact level, and on the air quality offshore modeling analysis performed by BOEM. The EPA appreciates BOEM's inclusion of mitigation measures and additional air quality information in the FSEIS and specific responses to our comments.

Emissions Inventory

BOEM's response (USEPA-4) indicates that well stimulation vessel emissions were not included in the supplemental EIS analysis because this technology is relatively new and was not included in the 2008 and 2011 Gulf-wide Emissions Inventories. EPA continues to have concerns that the DSEIS was based solely on data from past emission inventories, given that the lease sale will result in drilling into the next decade. It is our understanding that one of the purposes of the supplemental EIS is to update the environmental impact analysis with current projections.

EPA appreciates BOEM's commitment to include well stimulation activity in the 2014 Gulf-wide emissions inventory. EPA also recommends that impact analyses issued prior to the completion of the inventory include supplemental data to reflect emissions from technologies currently in use.

Use of OCD Model & SIL Exceedance

EPA continues to have concerns that the OCD Class I annual NO_x concentrations at 153 km are greater than the applicable PSD SIL and maintains that the distances used in this analysis are beyond the stated reliable limits of OCD. Extrapolating the OCD modeling results for the Class I annual NO_x SIL and Class II 1-hr NO₂ SIL and NAAQS is also beyond the reliable limits of the OCD model. BOEM's response (USEPA-13 & 14) is that the OCD model is conservative. However, no documentation of the conservative nature of the OCD model at these distances was provided in the DEIS. EPA's understanding is that at long distances OCD can both over and under predicted values for long-range transport.

EPA continues to recommend that CALPUFF modeling be performed for Class I annual SIL and Class II SIL and NAAQS for NO_x and NO₂, respectively, for specific lease sales, such as this analysis, until such time as BOEM's cumulative Gulf-wide study is complete.

Model Receptors (USEPA 15)

EPA continues to have concerns that BOEM located modelling receptors solely onshore and has not included any receptors at the State's seaward boundary. While this may be consistent with BOEM regulations at 30 CFR 550.303 for plan review, the OCSLA refers to impacts on "the air quality of any State." State jurisdiction extends, by statute, to the state seaward boundary. Regardless, of the legal boundary of the state and applicability of NAAQS to this area, EPA is

concerned about the gap in information and impact assessment in the 3-9 mile area between the seaward boundaries and the onshore receptors. This area is subject to state attainment planning and is the area located closest to the near shore areas of the lease sale. Hence, this information from the BOEM is critical for the states to ensure this near shore area is in compliance with the NAAQS, as well as with the Coastal Zone Management Act. Finally, it is an area of human activity, including recreational and commercial boating and fishing.

EPA recommends that BOEM include receptors at the state seaward boundary in the DOI's upcoming air quality study to ensure that the NAAQS are protected and that the air quality within this area is not adversely impacted by OCS activity.

NPDES

EPA recommended information on the trends pertaining to the volumes of well stimulation fluids used in well development, any available information on the formulation of these fluids, and fate and transport be included in the FSEIS. We also recommended that BOEM provide information relating how fracking is different from traditional well development. EPA notes that additional information related to well hydraulic fracturing or "fracking" has been added to Chapter 3.1.1.3 in response to our comment.

Fisheries

In our comments on the DSEIS, EPA recommended BOEM consider a study that presented data on impacts from the Deepwater Horizon spill on developing hearts of large predatory pelagic fish when discussing the potential impacts of oil spills on the GOM fishery. BOEM included the reference study, where relevant, in Chapter 4.1.1 (p. 4-163). EPA has no additional comments.

Wetlands and Coastal Areas

In our comments on the DSEIS we expressed concerns about the potential for cumulative impacts on near shore wetlands and coastal areas as a result of the proposed action. EPA notes that BOEM appropriately cites recent studies in the FSEIS (Chapter 4) relating to future predicted coastal land loss. EPA reviewed both studies cited in the response to our comment: State of Louisiana, Coastal Protection and Restoration Authority (2012) and Couvillion et al. (2013). The Master Plan and the Couvillion paper both discuss future projected wetland losses, but it is unclear if either of these documents include "estimates of the proportion of loss caused by various factors, including both OCS oil- and gas-related and, non-OCS oil- and gas-related factors"² as indicated in the BOEM's response to our comments. If this level of detail is provided in these studies (or other studies cited in the FSEIS), EPA recommends including the estimated losses by cause (e.g. sea level rise, hurricanes, pipeline construction, navigational canal construction, etc) in future NEPA documents.

Environmental Justice

In our comments on the DSEIS, EPA recommended including a discussion of mitigation efforts in the FSEIS that addresses impacts to EJ communities that may be relying on subsistence

² p. 5-25 of FSEIS

fishing and oystering in the event of an oil spill. EPA also recommended that BOEM better define in the FSEIS how minority and low-income communities that may be impacted by the proposed action have had opportunities to engage in the decision making process. EPA notes additional text added to p.4-206 addressing our comments. EPA has no additional comments.

EPA appreciates the opportunity to review this FSEIS. We request that the BOEM provide specific responses in the Record of Decision (ROD) to our outstanding concerns listed above. We also request that the BOEM provide EPA with a copy of the final signed ROD. Should the BOEM have questions regarding our comments, please feel free to contact Dan Holliman of my staff at 404/562-9531 or holliman.daniel@epa.gov.

Sincerely,

A handwritten signature in blue ink, appearing to read "Heinz Mueller", with a long horizontal flourish extending to the right.

Heinz J. Mueller
Chief, NEPA Program Office
Office of Environmental Accountability